

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 1 be amended to read as follows:

- 1           Page 18, between lines 26 and 27, begin a new paragraph and insert:  
2           "SECTION 13. IC 6-1.1-12-37, AS AMENDED BY  
3           P.L.192-2002(ss), SECTION 32, IS AMENDED TO READ AS  
4           FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37. (a) Each year a  
5           person who is entitled to receive the homestead credit provided under  
6           IC 6-1.1-20.9 for property taxes payable in the following year is entitled  
7           to a standard deduction from the assessed value of the real property,  
8           mobile home not assessed as real property, or manufactured home not  
9           assessed as real property that qualifies for the homestead credit. The  
10          auditor of the county shall record and make the deduction for the  
11          person qualifying for the deduction.  
12          (b) Except as provided in section 40.5 of this chapter, the total  
13          amount of the deduction that a person may receive under this section  
14          for a particular year is the lesser of:  
15              (1) one-half (1/2) of the assessed value of the real property,  
16              mobile home not assessed as real property, or manufactured home  
17              not assessed as real property; or  
18              (2) **the following:**  
19                  **(A) Thirty-five thousand dollars (\$35,000) for property taxes**  
20                  **first due and payable in 2003 (or that would have been**  
21                  **first due and payable in 2003 if the general reassessment**  
22                  **affecting the taxing unit had been completed on the date**  
23                  **required under IC 6-1.1-4(a)).**

**(B) Forty-four thousand dollars (\$44,000) for property taxes first due and payable in 2004 (excluding any amount that would have been first due and payable in 2003 if the general reassessment affecting the taxing unit had been completed on the date required under IC 6-1.1-4-4(a)).**

**(C) Thirty-nine thousand five hundred dollars (\$39,500) for property taxes first due and payable in 2005.**

**(D) Thirty-five thousand dollars (\$35,000) for property taxes first due and payable in 2006 and thereafter.**

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home."

Page 59, between lines 22 and 23, begin a new paragraph and insert:  
"SECTION 35. IC 6-1.1-21-3, AS AMENDED BY P.L.192-2002(ss), SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The department, with the assistance of the auditor of state and the department of local government finance, shall determine an amount equal to the eligible property tax replacement amount, which is the estimated property tax replacement.

(b) The department of local government finance shall certify to the department the amount of:

**(1) property tax deduction replacement credits provided under IC 6-1.1-21.9 that are allowed by the county for the particular calendar year; and**

**(2) homestead credits provided under IC 6-1.1-20.9 which are allowed by the county for the particular calendar year.**

(c) If there are one (1) or more taxing districts in the county that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter, the department of local government finance shall estimate an additional distribution for the county in the same report required under subsection (a). This additional distribution equals the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Estimate that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the estimated property tax replacement amount attributable to the taxing district; by

- 1 (B) the STEP ONE sum.  
 2 STEP THREE: Multiply:  
 3 (A) the STEP TWO quotient; times  
 4 (B) the taxes levied in the taxing district that are allocated to a  
 5 special fund under IC 6-1.1-39-5.  
 6 (d) The sum of the amounts determined under subsections (a)  
 7 through (c) is the particular county's estimated distribution for the  
 8 calendar year.  
 9 SECTION 36. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003,  
 10 SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12,  
 11 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 12 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department  
 13 shall allocate from the property tax replacement fund an amount equal  
 14 to the sum of:  
 15 (1) each county's total eligible property tax replacement amount  
 16 for that year; plus  
 17 (2) the total amount of homestead tax credits that are provided  
 18 under IC 6-1.1-20.9 and allowed by each county for that year;  
 19 plus  
 20 (3) an amount for each county that has one (1) or more taxing  
 21 districts that contain all or part of an economic development  
 22 district that meets the requirements of section 5.5 of this chapter.  
 23 This amount is the sum of the amounts determined under the  
 24 following STEPS for all taxing districts in the county that contain  
 25 all or part of an economic development district:  
 26 STEP ONE: Determine that part of the sum of the amounts  
 27 under section 2(g)(1)(A) and 2(g)(2) of this chapter that is  
 28 attributable to the taxing district.  
 29 STEP TWO: Divide:  
 30 (A) that part of the subdivision (1) amount that is attributable  
 31 to the taxing district; by  
 32 (B) the STEP ONE sum.  
 33 STEP THREE: Multiply:  
 34 (A) the STEP TWO quotient; times  
 35 (B) the taxes levied in the taxing district that are allocated to  
 36 a special fund under IC 6-1.1-39-5; **plus**  
 37 **(4) the total amount of property tax deduction replacement**  
 38 **credits that are provided under IC 6-1.1-21.9 and allowed by**  
 39 **each county for that year.**  
 40 (b) Except as provided in subsection (e), between March 1 and  
 41 August 31 of each year, the department shall distribute to each county  
 42 treasurer from the property tax replacement fund one-half (1/2) of the  
 43 estimated distribution for that year for the county. Between September  
 44 1 and December 15 of that year, the department shall distribute to each  
 45 county treasurer from the property tax replacement fund the remaining

one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (i), the department shall not distribute under subsection (b) and section 10 of this chapter the money attributable to the county's property reassessment fund if:

(1) by the date the distribution is scheduled to be made, ~~(1)~~ the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance; ~~or~~

(2) *by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; or*

~~(2)~~ **(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that**

1 *date under IC 6-1.1-11-8(a).*

2 (f) Except as provided in subsection (i), if the elected township  
3 assessors in the county, the elected township assessors and the county  
4 assessor, or the county assessor has not transmitted to the department  
5 of local government finance by October 1 of the year in which the  
6 distribution is scheduled to be made the data for all townships in the  
7 county required to be transmitted under IC 6-1.1-4-25(b), the state  
8 board or the department shall not distribute under subsection (b) and  
9 section 10 of this chapter a part of the money attributable to the  
10 county's property reassessment fund. The portion not distributed is the  
11 amount that bears the same proportion to the total potential distribution  
12 as the number of townships in the county for which data was not  
13 transmitted by ~~August 1~~ *October 1* as described in this section bears to  
14 the total number of townships in the county.

15 (g) Money not distributed ~~under subsection (e)~~ *for the reasons stated*  
16 *in subsection (e)(1) and (e)(2)* shall be distributed to the county when:

17 (1) the county auditor sends to the department of local  
18 government finance the certified statement required to be sent  
19 under IC 6-1.1-17-1; and

20 (2) *the county assessor forwards to the department of local*  
21 *government finance the approved exemption applications required*  
22 *to be forwarded under IC 6-1.1-11-8(a);*

23 with respect to which the failure to send *or forward* resulted in the  
24 withholding of the distribution under subsection (e).

25 (h) Money not distributed under subsection (f) shall be distributed  
26 to the county when the elected township assessors in the county, the  
27 elected township assessors and the county assessor, or the county  
28 assessor transmits to the department of local government finance the  
29 data required to be transmitted under IC 6-1.1-4-25(b) with respect to  
30 which the failure to transmit resulted in the withholding of the  
31 distribution under subsection (f).

32 (i) The restrictions on distributions under subsections (e) and (f) do  
33 not apply if the department of local government finance determines that:

34 (1) the failure of:

35 (A) a county auditor to send a certified statement; or

36 (B) *a county assessor to forward copies of all approved*  
37 *exemption applications;*

38 as described in subsection (e); or

39 (2) the failure of an official to transmit data as described in  
40 subsection (f);

41 is justified by unusual circumstances."

42 Page 60, between lines 26 and 27, begin a new paragraph and insert:  
43 "SECTION 38. IC 6-1.1-21.9 IS ADDED TO THE INDIANA CODE  
44 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
45 PASSAGE]:

46 **Chapter 21.9. Property Tax Deduction Replacement Credits**

1       **Sec. 1. This chapter applies to the following:**

2           (1) A property tax deduction increment.

3           (2) A qualified property tax deduction.

4       **Sec. 2. The definitions set forth in IC 6-1.1-21 apply throughout**  
5 **this chapter.**

6       **Sec. 3. As used in this chapter, "county property tax deduction**  
7 **replacement amount" means the sum of a particular county's**  
8 **taxpayer property tax deduction replacement credits.**

9       **Sec. 4. (a) This section applies only to a property tax deduction**  
10 **available under this article that is:**

11           (1) in effect on November 1, 2003; and

12           (2) increased in value by the general assembly after  
13 November 18, 2003, and before March 14, 2004.

14       **(b) As used in this chapter, "property tax deduction increment"**  
15 **means:**

16           (1) the value of a property tax deduction available under this  
17 article (as in effect after October 31, 2003); minus

18           (2) the value of the property tax deduction described in  
19 subdivision (1) before November 1, 2003.

20       **Sec. 5. As used in this chapter, "qualified property tax**  
21 **deduction" means a property tax deduction enacted by the general**  
22 **assembly after November 1, 2003, and before March 14, 2004.**

23       **Sec. 6. As used in this chapter, "taxpayer's property tax**  
24 **deduction replacement credit" means the amount determined in**  
25 **the last of the following STEPS:**

26       **STEP ONE: Determine the sum of a particular taxpayer's**  
27 **property tax deduction increments.**

28       **STEP TWO: Determine the sum of the taxpayer's qualified**  
29 **property tax deductions.**

30       **STEP THREE: Determine the sum of the STEP ONE and STEP**  
31 **TWO results.**

32       **STEP FOUR: Multiply the STEP THREE result by the total**  
33 **net tax rate applicable in the taxpayer's taxing district.**

34       **Sec. 7. (a) The department, with the assistance of the auditor**  
35 **of state and the department of local government finance, shall**  
36 **determine for each county an amount equal to the county**  
37 **property tax deduction replacement amount.**

38       **Sec. 8. For purposes of calculating tax rates, the county auditor**  
39 **shall add the sum of each county taxpayer's:**

40           (1) property tax deduction increments; and

41           (2) qualified property tax deductions;

42 **to the county's net assessed value.**

43       **Sec. 9. For purposes of calculating a particular taxpayer's tax**

1 **bill, the county treasurer shall add the sum of the taxpayer's:**  
 2 **(1) property tax deduction increments; and**  
 3 **(2) qualified property tax deductions;**  
 4 **to the taxpayer's net assessed value.**

5 **Sec. 10. (a) Each year the taxpayers of each county shall**  
 6 **receive a credit for property tax deduction replacement in the**  
 7 **amount of each taxpayer's property tax deduction replacement**  
 8 **credit amount for taxes which under IC 6-1.1-22-9 are due and**  
 9 **payable in May and November of that year. The credit shall be**  
 10 **applied to each installment of taxes. The dollar amount of the**  
 11 **credit for each taxpayer shall be determined by the county**  
 12 **auditor, based on data furnished by the department of local**  
 13 **government finance."**

14 Page 122, between lines 3 and 4, begin a new paragraph and insert:  
 15 "SECTION 90. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-21-3**  
 16 **and IC 6-1.1-21-4, both as amended by this act, apply only to**  
 17 **property taxes first due and payable after December 31, 2003.**

18 **(b) IC 6-1.1-21.9, as added by this act, applies only to property**  
 19 **taxes first due and payable after December 31, 2003."**

20 Renumber all SECTIONS consecutively.

(Reference is to ESB 1 as printed December 2, 2003.)

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Representative Espich